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The Future of Money: How the Digital Revolution Is Transforming Currencies and Finance

Reviewed By [Barry Eichengreen](#)

March/April 2022

In This Review

Prasad demystifies the esoteric world of cryptocurrencies, so-called stablecoins (digital tokens pegged one-to-one to the U.S. dollar or other underlying assets), and central bank digital currencies, drawing out the new currencies' implications for monetary policy, financial regulation, and economic development. Are cryptocurrencies such as Bitcoin just tulip bulbs for the twenty-first century, or do they offer investors tangible benefits of diversification and reliable protection against inflation? Will stablecoins significantly reduce the cost of cross-border transactions or just replace local currencies in developing countries, undermining the capacity of their central banks to pursue independent monetary policies? Are digital currencies really a way of enhancing the utility of central bank money and fostering financial inclusion, or are they merely a rear-guard action by central banks to avoid losing control of the payments system to stablecoin providers? Prasad's answer to all these questions is, in a word, yes. Given the rapidly changing digital landscape, any book-length treatment of these issues risks quickly going out of date. For the moment, however, Prasad's analysis is the best single point of entry for those interested in the nitty-gritty of digital finance. 🌐

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